

**TOWNSHIP OF
LUMBERTON
BURLINGTON COUNTY,
NEW JERSEY**

REPORT OF AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

TOWNSHIP OF LUMBERTON
Table of Contents

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>PART I</u>	
	Independent Auditor's Report	2
	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	4
	<u>CURRENT FUND</u>	
A	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	6
A-1	Comparative Statements of Operations and Changes in Fund Balance - Regulatory Basis	8
A-2	Statement of Revenues - Regulatory Basis	10
A-3	Statement of Expenditures - Regulatory Basis	13
	<u>TRUST FUNDS</u>	
B	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	19
B-1	Comparative Statements of Operations and Changes in Reserve for Future Use - Regulatory Basis	20
B-2	Statement of Dedicated Revenues - Regulatory Basis	21
B-3	Statement of Dedicated Expenditures - Regulatory Basis	22
	<u>GENERAL CAPITAL FUND</u>	
C	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	23
C-1	Statement of General Capital Surplus - Regulatory Basis	24
	<u>GENERAL FIXED ASSET ACCOUNT GROUP</u>	
D	Statement of General Fixed Asset Group of Accounts - Regulatory Basis	25
	Notes to Financial Statements	26
	<u>SUPPLEMENTAL EXHIBITS</u>	
	<u>CURRENT FUND</u>	
SA-1	Statement of Current Cash - Treasurer	42
SA-2	Schedule of Change Funds	43
SA-3	Statement of Petty Cash Funds	43

TOWNSHIP OF LUMBERTON
Table of Contents (Cont'd)

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>PART I (CONT'D)</u>	
	<u>SUPPLEMENTAL EXHIBITS (CONT'D)</u>	
	<u>CURRENT FUND (CONT'D)</u>	
SA-4	Statement of Due to / from State of New Jersey - Senior Citizens' and Veterans' Deductions	44
SA-5	Statement of Taxes Receivable and Analysis of Property Tax Levy	45
SA-6	Statement of Tax Title Liens Receivable	46
SA-7	Statement of Special Assessments Liens Receivable	46
SA-8	Statement of Property Acquired for Taxes (at Assessed Valuation)	47
SA-9	Statement of Due from Mount Holly Municipal Utilities Authority	48
SA-10	Statement of Revenue Accounts Receivable	49
SA-11	Federal and State Grant Fund - Statement of Due from / to Current Fund	50
SA-12	Federal and State Grant Fund - Statement of Federal, State, and Other Grants Receivable	51
SA-13	Statement of 2010 Appropriation Reserves	53
SA-14	Statement of Prepaid Taxes	56
SA-15	Statement of Tax Overpayments	56
SA-16	Statement of Local District School Taxes Payable	57
SA-17	Statement of Regional High School Tax Payable	58
SA-18	Statement of County Taxes Payable	59
SA-19	Statement of Due County for Added and Omitted Taxes	59
SA-20	Statement of Due to State of New Jersey - Marriage License Fees	60
SA-21	Statement of Due to State of New Jersey - Training Fees	60
SA-22	Federal and State Grant Fund - Statement of Reserve for Federal, State and Other Grants - Unappropriated	61
SA-23	Federal and State Grant Fund - Statement of Reserve for Federal, State, and Other Grants - Appropriated	62
	<u>TRUST FUNDS</u>	
SB-1	Statement of Trust Cash - Treasurer	65
SB-2	Trust Funds - Municipal Open Space - Statement of Due from Burlington County - Open Space Installment Purchase Note Receivable	66
SB-3	Trust Funds - Municipal Open Space - Statement of Due from Current Fund	67
SB-4	Trust Funds - Other - Statement of Due from / (to) Current Fund	68
SB-5	Trust Funds - Other - Statement of Due from Federal and State Grant Fund	69
SB-6	Trust Funds - Animal Control - Statement of Due to State of New Jersey - Registration Fees	70
SB-7	Trust Funds - Animal Control - Statement of Reserve for Animal Control Fund Expenditures	71
SB-8	Trust Funds - Municipal Open Space - Statement of Due to Burlington County - Farmland Preservation	72
SB-9	Trust Funds - Other - Statement of Reserve for Unemployment Compensation Insurance	73
SB-10	Trust Funds - Other - Statement of Reserve for Payroll Deductions	74
SB-11	Trust Funds - Other - Statement of Miscellaneous Trust Other Reserves	75

TOWNSHIP OF LUMBERTON
Table of Contents (Cont'd)

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>PART I (CONT'D)</u>	
	<u>SUPPLEMENTAL EXHIBITS (CONT'D)</u>	
	<u>GENERAL CAPITAL FUND</u>	
SC-1	Statement of General Capital Cash	77
SC-2	Analysis of General Capital Cash	78
SC-3	Statement of Deferred Charges to Future Taxation - Funded	79
SC-4	Statement of Deferred Charges to Future Taxation - Unfunded	80
SC-5	Statement of Due from Current Fund	81
SC-6	Statement of Due from Federal and State Grant Fund	82
SC-7	Statement of Bond Anticipation Notes	83
SC-8	Statement of General Serial Bonds	84
SC-9	Statement of New Jersey Environmental Infrastructure Loans Payable	85
SC-10	Statement of Improvement Authorizations	86
SC-11	Schedule of Contracts Payable	87
SC-12	Statement of Capital Improvement Fund	88
SC-13	Statement of Bonds and Notes Authorized but not Issued	89
	<u>PART II</u>	
	<u>SCHEDULE OF FINDINGS AND RECOMMENDATIONS</u>	
	Schedule of Financial Statement Findings	91
	Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	93
	<u>OFFICIALS IN OFFICE AND SURETY BONDS</u>	94
	<u>APPRECIATION</u>	95

TOWNSHIP OF LUMBERTON

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Lumberton
Lumberton, New Jersey 08048

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Lumberton, in the County of Burlington, State of New Jersey, as of December 31, 2011, and the related statements of operations and changes in fund balance - regulatory basis for the year then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2011. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit. The statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Lumberton, in the County of Burlington, State of New Jersey, as of December 31, 2010, were audited by other auditors whose report dated June 2, 2011 expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects on the financial statements of the requirement that the Township prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Lumberton, in the County of Burlington, State of New Jersey, as of December 31, 2011, or the results of its operations and changes in fund balance for the year then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Lumberton, in the County of Burlington, State of New Jersey, as of December 31, 2011, and the results of its operations and changes in fund balance - regulatory basis of such funds for the year then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2011, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

In accordance with Government Auditing Standards, we have also issued our report dated July 3, 2012 on our consideration of the Township of Lumberton, in the County of Burlington, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The supplementary financial statements presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,

BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

L. Jarred Corn

L. Jarred Corn
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 3, 2012

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and
Members of the Township Committee
Township of Lumberton
Lumberton, New Jersey 08048

We have audited the financial statements (regulatory basis) of the Township of Lumberton, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2011, and have issued our report thereon dated July 3, 2012, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Township of Lumberton is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Recommendations that we consider to be significant deficiencies in internal control over financial reporting as findings number 2011-1 and 2011-2. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Lumberton's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which is described in the accompanying Schedule of Findings and Recommendations as finding number 2011-2.

The Township of Lumberton's responses to the findings identified in our report are described in the accompanying Schedule of Findings Recommendations. We did not audit the Township of Lumberton's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management of the Township, others within the Township, the Division of Local Government Services, Department of Community Affairs, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

L. Jarred Corn

L. Jarred Corn
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 3, 2012

TOWNSHIP OF LUMBERTON
CURRENT FUND

Comparative Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2011 and 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	SA-1	\$ 2,412,081.11	\$ 1,444,986.00
Cash - Change Funds	SA-2	625.00	625.00
Cash - Petty Cash Fund	SA-3		600.00
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	SA-4	5,825.50	
		<u>2,418,531.61</u>	<u>1,446,211.00</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	225,214.45	466,166.00
Tax Title Liens Receivable	SA-6	294,763.64	270,856.00
Special Assessment Liens Receivable	SA-7	8,310.04	
Property Acquired for Taxes (at Assessed Valuation)	SA-8		43,100.00
Due from Mount Holly Municipal Utilities Authority	SA-9		248.00
Revenue Accounts Receivable	SA-10	9,297.48	15,182.00
Prepaid Local District School Taxes	SA-16	231,872.50	
Due from Federal and State Grant Fund	SA-11	12,442.12	
Due from Trust - Other Funds	SB-4		103.00
		<u>781,900.23</u>	<u>795,655.00</u>
Deferred Charges:			
Emergency Appropriation	A-3		60,000.00
		<u>-</u>	<u>60,000.00</u>
Total Regular Fund		<u>3,200,431.84</u>	<u>2,301,866.00</u>
Federal and State Grant Fund:			
Cash	SA-1	180,400.22	94,194.41
Due from Current Fund	SA-11		9,450.00
Federal and State Grants Receivable	SA-12	637,600.12	97,498.12
Total Federal and State Grant Fund		<u>818,000.34</u>	<u>201,142.53</u>
Total Assets		<u>\$ 4,018,432.18</u>	<u>\$ 2,503,008.53</u>

(Continued)

**TOWNSHIP OF LUMBERTON
CURRENT FUND**

Comparative Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2011 and 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriations Reserves	A-3, SA-13	\$ 218,242.52	\$ 223,724.00
Reserve for Encumbrances	A-3, SA-13	9,906.08	90,306.00
Accounts Payable	SA-13	1,201.56	
Prepaid Taxes	SA-14	194,203.62	159,953.16
Tax Overpayments	SA-15	43,962.63	27,075.00
Local School District Taxes Payable	SA-16		19,415.00
Regional High School Taxes Payable	SA-17		12,804.00
Due County for Added and Omitted Taxes	SA-19	9,783.56	10,557.17
Due to State of New Jersey:			
Senior Citizens' and Veterans' Deductions	SA-5		5,979.00
Marriage License Fees	SA-20	650.00	1,560.67
Training Fees	SA-21	1,645.00	
Due to Federal and State Grant Fund	SA-11		9,450.00
Due to Municipal Open Space Trust Fund	SB-3	145,051.70	
Due to Trust - Other Funds	SB-4	529,056.21	
Due to General Capital Fund	SC-5	824,999.67	
		<u>1,978,702.55</u>	<u>560,824.00</u>
Reserves for Receivables and Other Assets		781,900.23	795,655.00
Fund Balance	A-1	<u>439,829.06</u>	<u>945,387.00</u>
Total Regular Fund		<u>3,200,431.84</u>	<u>2,301,866.00</u>
Federal and State Grant Fund:			
Due to Current Fund	SA-11	12,442.12	
Due to Trust - Other Funds	SB-5	1,980.00	
Due to General Capital Fund	SC-6	182,531.56	
Reserve for Federal, State, and Local Grants:			
Unappropriated	SA-22	73,750.05	22,392.00
Appropriated	SA-23	538,736.03	178,750.53
Reserve for Encumbrances	SA-23	<u>8,560.58</u>	
Total Federal and State Grant Fund		<u>818,000.34</u>	<u>201,142.53</u>
Total Liabilities, Reserves, and Fund Balance		<u>\$ 4,018,432.18</u>	<u>\$ 2,503,008.53</u>

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF LUMBERTON
CURRENT FUND

Comparative Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>		
Surplus Utilized	\$ 860,500.00	\$ 1,600,000.00
Miscellaneous Revenue Anticipated	2,945,715.73	2,753,892.00
Receipts from Delinquent Taxes	440,127.36	428,030.00
Receipts from Current Taxes	29,126,156.29	29,045,133.00
Non Budget Revenues	65,147.57	202,726.00
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	143,162.98	149,263.00
Refunds of Prior Years' Expenditures	311.00	
Liquidation of Reserves for:		
Due from Mount Holly Municipal Utilities Authority	248.00	
Other	103.00	
Cancellation of:		
Tax Overpayments	16,860.54	25,843.00
Due County for Added and Omitted Taxes	5,270.13	
Due State of New Jersey - Marriage License Fees	1,560.67	
Due Federal and State Grant Fund:		
Reserve for Federal, State, and Other Grants - Appropriated	3,400.00	
Due Trust - Other Funds:		
Miscellaneous Trust Other Reserves	50,375.48	
Total Income	<u>33,658,938.75</u>	<u>34,204,887.00</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	2,708,011.00	3,285,556.00
Other Expenses	2,672,587.73	2,797,596.00
Deferred Charges and Statutory Expenditures	1,012,919.00	1,096,637.00
Operations Excluded from "CAPS":		
Salaries and Wages	59,239.00	
Other Expenses	792,803.51	256,691.00
Capital Improvements Excluded from "CAPS"	25,000.00	230,000.00
Municipal Debt Service Excluded from "CAPS"	1,501,848.15	1,512,223.00
Deferred Charges Excluded from "CAPS"	60,000.00	
Local District School Tax	13,459,803.50	13,711,091.00
Regional High School Taxes	5,134,964.15	4,561,460.00
County Taxes Payable	5,461,153.36	5,771,301.00
Due County for Added and Omitted Taxes	9,783.56	5,287.00
Municipal Open Space Taxes	145,148.70	144,787.00
Refund of Prior Years' Revenues	11,413.92	
Due to State of New Jersey - Prior Year Veteran and Senior Citizens' Deduction Disallowed by Collector	3,008.49	

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND

Comparative Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Expenditures (Cont'd)</u>		
Cancellation of:		
Due from Mount Holly Municipal Utilities Authority	\$ 248.00	
Creation of Reserves for:		
Prepaid Local District School Taxes	231,872.50	
Due from Federal and State Grant Fund	12,442.12	
Due Federal and State Grant Fund:		
Cancellation of Federal, State and Other Grants Receivable	<u>1,750.00</u>	
Total Expenditures	<u>33,303,996.69</u>	<u>\$ 33,372,629.00</u>
Excess in Revenue	354,942.06	832,258.00
Adjustment to Income before Surplus:		
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	<u>-</u>	<u>60,000.00</u>
Statutory Excess to Fund Balance	354,942.06	892,258.00
<u>Fund Balance</u>		
Balance January 1	<u>945,387.00</u>	<u>1,653,129.00</u>
	1,300,329.06	2,545,387.00
Decreased by:		
Utilization as Anticipated Revenue	<u>860,500.00</u>	<u>1,600,000.00</u>
Balance December 31	<u><u>\$ 439,829.06</u></u>	<u><u>\$ 945,387.00</u></u>

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2011

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Surplus Anticipated	\$ 860,500.00	-	\$ 860,500.00	-
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	12,600.00		12,938.00	\$ 338.00
Other	4,000.00		1,087.40	(2,912.60)
Fees and Permits	10,800.00		9,500.00	(1,300.00)
Fines and Costs:				
Municipal Court	250,000.00		174,924.07	(75,075.93)
Interest and Costs on Taxes	89,000.00		97,061.20	8,061.20
Interest on Investments and Deposits	37,000.00		10,115.38	(26,884.62)
Local Fire Enforcement Bureau - Fees & Permits	19,875.00		18,300.00	(1,575.00)
Total Local Revenues	423,275.00	-	323,926.05	(99,348.95)
State Aid without Offsetting Appropriations:				
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	1,283,043.00	-	1,283,043.00	-
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17)				
Uniform Construction Codes Fee	190,800.00	-	200,966.00	10,166.00
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Interlocal Municipal Service Agreements Offset with Appropriations:				
Shared Services Vehicle Maintenance	18,600.00	-	16,008.10	(2,591.90)
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Public and Private Revenues Offset With Appropriations:				
Recycling Tonnage Grant	25,000.00		25,000.00	
Clean Communities Program	15,000.00		15,000.00	
Clean Communities Program Unappropriated	45.00		45.00	
Safe and Secure Communities Program - P.L. 1994, Chapter 220	59,239.00		59,239.00	
Recycling Tonnage Grant Unappropriated	9,499.00		9,499.00	
Body Armor Replacement Program	429.00	\$ 1,093.49	1,522.49	
Green Communities	3,000.00		3,000.00	
Domestic Violence	2,766.00		2,766.00	
REC RCASA	1,000.00		1,000.00	
Alcohol Education and Rehabilitation Fund	4,903.00		4,903.00	
Over the Limit Under Arrest	750.00		750.00	
Emergency Management	5,000.00		5,000.00	
Drunk Driving Enforcement Fund - 2011		3,718.02	3,718.02	
FY 2011 NJDOT Municipal Aid Program - Fenimore Road Reconstruction		200,000.00	200,000.00	
Burlington County Municipal Park Development Grant - 2011		250,000.00	250,000.00	
2009 NJDOT Municipal Aid Program - Safe Routes to Schools		207,000.00	207,000.00	
Total Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues	126,631.00	661,811.51	788,442.51	-
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items:				
Uniform Fire Safety Act	35,000.00		24,734.99	(10,265.01)
Recycling Fees	10,000.00		8,253.60	(1,746.40)
Pilot - Acacia Manor	80,242.00		60,181.89	(20,060.11)
Recreation Trust Contribution	42,500.00		42,500.00	
Payments in Lieu of Taxes - Commercial and Industrial (40A:21-1 et. seq.)	46,926.00		41,967.55	(4,958.45)
Cell Tower Fees	35,000.00		34,647.84	(352.16)
Comcast Franchise Fees	50,000.00		65,251.78	15,251.78
Burlington County Municipal JIF	3,950.00		3,950.00	
Off Duty Police Administration	14,000.00		14,000.00	
Building Lease	39,500.00		37,842.42	(1,657.58)
Total Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items	357,118.00	-	333,330.07	(23,787.93)
Total Miscellaneous Revenues Anticipated	2,399,467.00	661,811.51	2,945,715.73	(115,562.78)
Receipts from Delinquent Taxes	475,000.00	-	440,127.36	(34,872.64)
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	5,022,093.00	-	5,220,521.52	198,428.52
Total General Revenues	8,757,060.00	661,811.51	9,466,864.61	47,993.10
Non Budget Revenues	-	-	65,147.57	65,147.57
Total Revenues	\$ 8,757,060.00	661,811.51	\$ 9,532,012.18	\$ 113,140.67

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2011

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections \$ 29,126,156.29

Allocated to:

Local School, Regional High School, Municipal Open Space, and County Taxes 24,491,264.77

Balance for Support of Municipal Budget Appropriations 4,634,891.52

Add: Appropriation "Reserve for Uncollected Taxes" 585,630.00

Amount for Support of Municipal Budget Appropriations \$ 5,220,521.52

Receipts from Delinquent Taxes:

Delinquent Tax Collections \$ 440,127.36

Licenses - Other:

Swimming Pool Licenses \$ 100.00

Food Handling Licenses 480.00

Christmas Tree Licenses 50.00

Marriage Licenses 132.00

Raffle Licenses 5.00

Kennel Licenses 320.40

Total Licenses - Other \$ 1,087.40

Fees and Permits:

Searches \$ 250.00

Planning Board 3,300.00

Zoning Board 5,000.00

Parade Permits 50.00

Street Opening 900.00

Total Fees and Permits \$ 9,500.00

Uniform Construction Codes Fees:

Building Permits \$ 115,490.00

Electrical Permits 24,449.00

Plumbing Permits 20,077.00

Fire 9,342.00

Elevator 4,930.00

Fines - Construction 3,700.00

Certificate of Occupancy 3,903.00

Contractor Registration 25.00

Rental Inspections 19,050.00

Total Uniform Construction Code Fees \$ 200,966.00

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2011

Analysis of Non Budget Revenues

Receipts - Treasurer:

Certified Birth Certificate	\$	35.00	
Certified Marriage		495.00	
Certified Death		335.00	
Photocopies		82.69	
Certified Lists		130.00	
Insurance Refunds		5,446.20	
DMV Fines		750.00	
Police Deposits		5,299.48	
Trash Buckets		879.23	
Property Maintenance		775.56	
Duplicate Bills		620.00	
Cost of Tax Sale		16,492.86	
Duplicate Tax Sale Certificate		400.00	
Fees for Searches		130.00	
Penalty		4,715.98	
Senior Citizen and Veteran Administrative Fee		2,090.45	
Other		<u>25,240.86</u>	
	\$		63,918.31
Due Federal and State Grant Fund:			
Other			1.20
Due Municipal Open Space Trust Fund:			
Other			97.00
Due Trust - Other Funds:			
Developers' Escrow Administration Fees		1,116.23	
Other		<u>14.50</u>	
			1,130.73
Due General Capital Fund:			
Bank Reimbursement			<u>0.33</u>
Total Non Budget Revenues			<u><u>\$ 65,147.57</u></u>

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2011

	<u>Appropriations</u>			<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
OPERATIONS - WITHIN "CAPS"							
General Government:							
Mayor and Council							
Salaries and Wages	\$ 20,250.00	\$ 19,280.00	\$ 19,250.00		\$ 30.00		
Other Expenses	1,500.00	4,500.00	4,368.88		131.12		
Municipal Clerk							
Salaries and Wages	54,837.00	54,837.00	54,483.46		353.54		
Other Expenses	26,500.00	31,000.00	28,783.75	\$ 154.00	2,062.25		
Financial Administration							
Salaries and Wages	70,000.00	77,800.00	76,538.86		1,261.14		
Other Expenses	9,000.00	17,800.00	17,753.97		46.03		
Annual Audit							
Other Expenses	33,000.00	34,300.00	34,260.00		40.00		
Assessment of Taxes							
Salaries and Wages	27,616.00	26,916.00	26,893.43		22.57		
Other Expenses	6,500.00	5,650.00	4,576.91	1,062.95	10.14		
Registrar of Vital Statistics							
Salaries and Wages	1,000.00	1,000.00	999.96		0.04		
Other Expenses	650.00	500.00	371.50		128.50		
Collection of Taxes							
Salaries and Wages	32,000.00	45,200.00	45,130.95		69.05		
Other Expenses	6,500.00	9,600.00	9,248.17		351.83		
Legal Services							
Other Expenses	65,000.00	61,200.00	61,198.36		1.64		
Municipal Prosecutor							
Salaries and Wages	17,000.00	17,200.00	17,176.86		23.14		
Engineering Services							
Other Expenses	40,000.00	21,000.00	14,737.50		6,262.50		
Computers / Technology							
Other Expenses	15,000.00	18,400.00	17,555.97		844.03		
Public Works:							
Building and Grounds							
Salaries and Wages		9,200.00	9,198.33		1.67		
Other Expenses	35,000.00	34,000.00	31,875.28	2,117.00	7.72		
Road Repairs and Maintenance							
Salaries and Wages	252,688.00	266,188.00	263,254.02		2,933.98		
Other Expenses	10,000.00	23,500.00	21,635.72	133.96	1,730.32		
Storm Sewer System							
Other Expenses	9,000.00	10,200.00	8,692.50		1,507.50		
Garbage and Trash Removal							
Salaries and Wages	95,541.00	100,541.00	100,532.42		8.58		
Other Expenses	1,000.00	1,000.00			1,000.00		

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2011

	<u>Appropriations</u>			<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS" (CONT'D)						
Public Works (Cont'd):						
Vehicle Maintenance						
Salaries and Wages	\$ 120,206.00	\$ 124,306.00	\$ 124,259.24		\$ 46.76	
Other Expenses	45,400.00	40,400.00	37,774.02	\$ 2,568.69	57.29	
Recycling Coordinator						
Salaries and Wages	5,000.00	5,010.00	5,000.06		9.94	
Other Expenses	4,000.00	3,250.00	2,575.83		674.17	
Custodial Services						
Salaries and Wages	13,000.00	11,500.00	10,218.92		1,281.08	
Other Expenses	2,000.00	1,500.00	1,197.35		302.65	
Land Use Administration:						
Land Development Board						
Salaries and Wages	6,966.00	5,816.00	5,767.03		28.97	
Other Expenses	5,000.00	1,500.00	709.60		790.40	
Zoning Officer						
Salaries and Wages	4,640.00	6,680.00	6,678.05		1.95	
Other Expenses	2,500.00	2,600.00	2,138.75		461.25	
Council on Affordable Housing Rehabilitation						
Other Expenses	19,050.00	19,050.00	14,259.00		4,791.00	
Public Safety:						
Fire						
Aid to Volunteer Fire Companies						
Uniform Fire Safety Act (Ch. 383, P.L. 1985)	74,500.00	64,500.00	64,500.00			
Salaries and Wages	35,000.00	29,600.00	29,535.67		64.33	
Other Expenses	4,500.00	4,500.00	3,640.02	494.95	365.03	
Safety Program						
Other Expenses	3,750.00	2,650.00	1,419.85		1,230.15	
Officer of Emergency Management						
Salaries and Wages	7,250.00	7,250.00	7,241.32		8.68	
Other Expenses	1,500.00	2,000.00	1,744.46		255.54	
Police Department						
Salaries and Wages	1,743,750.00	1,666,995.00	1,666,234.15		760.85	
Other Expenses	55,000.00	46,590.00	30,991.56	3,289.08	12,309.36	
Parks and Recreation:						
Recreation Services and Programs						
Salaries and Wages	13,000.00	8,700.00	8,601.14		98.86	
Other Expenses		155.00	154.16		0.84	
Administration of Public Assistance						
Other Expenses	1,200.00	1,200.00	1,050.00		150.00	

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2011

	<u>Appropriations</u>			<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS" (CONT'D)						
Municipal Court:						
Salaries and Wages	\$ 80,542.00	\$ 83,492.00	\$ 83,478.63		\$ 13.37	
Other Expenses	9,000.00	8,000.00	7,708.72		291.28	
Public Defender:						
Other Expenses	1,000.00					
Insurance:						
General Liability Insurance	134,279.00	147,689.00	147,689.00		504.64	
Employee Group Insurance	612,000.00	584,993.00	584,488.36			
Workers Compensation Insurance	244,223.00	178,223.00	178,223.00			
Insurance Deductible Trust	1,000.00	1,000.00			1,000.00	
Fire Company Insurance	12,000.00	12,000.00	5,017.60		6,982.40	
Other	1,600.00	1,600.00	1,200.00		400.00	
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Uniform Construction Code Enforcement Functions						
Salaries and Wages	115,000.00	127,500.00	127,397.30		102.70	
Other Expenses	4,000.00	3,430.00	3,429.62		0.38	
Other Common Operation Functions (Unclassified):						
Celebration of Public Events, Holiday or Anniversaries						
Other Expenses	1,500.00	1,500.00	1,310.88		189.12	
Animal Control Services						
Salaries and Wages	13,000.00	13,000.00	13,000.00			
Other Expenses						
Other Expenses	77,880.00	134,380.00	134,380.00			
Utility Expenses and Bulk Purchases:						
Electricity	138,000.00	140,000.00	116,434.81		23,565.19	
Telephone and Telegraph	26,500.00	29,000.00	26,354.92	\$ 40.20	2,604.88	
Street Lighting	123,000.00	127,900.00	127,868.51	19.21	12.28	
Fire Hydrant Services	140,000.00	118,380.73	117,738.38		642.35	
Gasoline	120,000.00	144,000.00	141,838.87		2,161.13	
Water	9,500.00	20,800.00	20,397.33		402.67	
Fuel Oil	13,000.00	15,500.00	15,274.91		225.09	
Sewer	8,000.00	6,500.00	4,542.13		1,957.87	
Postage	21,000.00	18,347.00	15,225.57	26.04	3,095.39	
Other Expenses	261,800.00	261,800.00	258,955.44		2,844.56	
Condo Reimbursement	255,000.00	255,000.00	135,596.51		119,403.49	
Total Operations within "CAPS"	5,419,618.00	5,380,598.73	5,161,777.47	9,906.08	208,915.18	-

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2011

	<u>Appropriations</u>		<u>Expended</u>	<u>Unexpended Balance Canceled</u>
	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Encumbered</u>	<u>Reserved</u>
OPERATIONS - WITHIN "CAPS" (CONT'D)				
Detail:				
Salaries and Wages	\$ 2,728,286.00	\$ 2,708,011.00	\$ 2,700,889.80	\$ 7,121.20
Other Expenses	2,691,332.00	2,672,587.73	2,460,887.67	201,793.98
			\$ 9,906.08	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	220,630.00	221,130.00	221,128.13	1.87
Consolidated Police and Firemen's Pension Fund	568,138.00	568,138.00	568,138.00	
Contributions to Employees Retirement System	153,151.00	153,151.00	153,151.00	
Unemployment Compensation Insurance	45,000.00	70,500.00	70,500.00	
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	986,919.00	1,012,919.00	1,012,917.13	1.87
Total General Appropriations for Municipal Purposes within "CAPS"	6,406,537.00	6,393,517.73	6,174,694.60	208,917.05
OPERATIONS - EXCLUDED FROM "CAPS"				
State Fees - Recycling Tax	12,000.00	12,000.00	2,674.53	9,325.47
Snow Emergency EO#15 N.J.S.A. 40:A 45 3	33,000.00	33,000.00	33,000.00	
Total Other Operations - Excluded from "CAPS"	45,000.00	45,000.00	35,674.53	9,325.47
Interlocal Municipal Service Agreements:				
Shared Vehicle Maintenance	18,600.00	18,600.00	18,600.00	
Total Shared Municipal Service Agreements	18,600.00	18,600.00	18,600.00	
Public and Private Programs Offset by Revenues:				
Clean Communities Grant	15,000.00	15,000.00	15,000.00	
Body Armor Replacement Fund (N.J.S.A. 40A:4-87, \$1,093.49)	429.00	1,522.49	1,522.49	
Safe and Secure Communities	59,239.00	59,239.00	59,239.00	
Clean Communities Program Unappropriated	45.00	45.00	45.00	
Reserve for Recycling Tonnage Grant	25,000.00	25,000.00	25,000.00	
Reserve for Recycling Tonnage Grant Unappropriated	9,499.00	9,499.00	9,499.00	
Green Communities	3,000.00	3,000.00	3,000.00	
Alcohol Education and Rehabilitation Fund	4,903.00	4,903.00	4,903.00	
Domestic Violence	2,766.00	2,766.00	2,766.00	
Emergency Management	5,000.00	5,000.00	5,000.00	

(Continued)

Note 3: PROPERTY TAXES (CONT'D)**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2011	\$ 1,440,665,311.00
2010	1,448,976,333.00
2009	1,449,067,184.00
2008	1,435,259,193.00
2007	1,434,765,770.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2011	\$ 29,556,893.61	\$ 29,126,156.29	98.54%
2010	29,600,224.00	29,045,133.00	98.12%
2009	28,791,279.00	28,300,485.00	98.30%
2008	28,433,604.00	27,892,222.00	98.10%
2007	27,619,540.00	27,021,847.00	97.84%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2011	\$ 294,763.64	\$ 225,214.45	\$ 519,978.09	1.76%
2010	270,856.00	466,166.00	737,022.00	2.49%
2009	217,636.00	447,528.00	665,164.00	2.31%
2008	195,591.00	505,638.00	701,229.00	2.47%
2007	189,051.00	419,300.00	608,351.00	2.20%

The following comparison is made of the number of tax title liens receivable on December 31 of the last four years:

<u>Year</u>	<u>Number</u>
2011	8
2010	6
2009	5
2008	3

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2011	\$ -
2010	\$ 43,100.00
2009	43,100.00
2008	43,100.00
2007	43,100.00

Note 5: FUND BALANCES APPROPRIATED

The following schedule details the amount of fund balances of the current fund available at the end of the current year and four previous years, and the amounts utilized in the subsequent year's budgets:

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2011	\$ 439,829.06	\$ 325,000.00	73.89%
2010	945,387.00	860,500.00	91.02%
2009	1,653,129.00	1,600,000.00	96.79%
2008	2,264,162.00	1,950,000.00	86.12%
2007	2,569,963.00	2,200,000.00	85.60%

Note 6: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 12,442.12	\$ 1,499,107.58
Federal and State Grant		196,953.68
Municipal Open Space Fund	145,051.70	
Trust - Other Funds	531,036.21	
General Capital	1,007,531.23	
	<u>\$ 1,696,061.26</u>	<u>\$ 1,696,061.26</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2012, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: PENSION PLANS

The Township contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Note 7: PENSION PLANS (CONT'D)

Public Employees' Retirement System - The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Regular Pension Contributions</u>	<u>Non-Contributory Group Life Insurance</u>	<u>Funded by Township</u>
2011	\$ 54,885.00	\$ 87,455.00	\$ 142,340.00	\$ 10,811.00	\$ 153,151.00
2010	50,026.00	64,278.00	114,304.00	15,851.00	130,155.00
2009	52,506.00	60,730.00	113,236.00	14,075.00	127,311.00

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 10% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Regular Pension Contributions</u>	<u>Non-Contributory Group Life Insurance</u>	<u>Funded by Township</u>
2011	\$ 302,167.00	\$ 242,289.00	\$ 544,456.00	\$ 23,682.00	\$ 568,138.00
2010	290,914.00	207,256.00	498,170.00	25,327.00	523,497.00
2009	278,533.00	192,722.00	471,255.00	19,378.00	490,633.00

Note 7: PENSION PLANS (CONT'D)

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

Note 8: COMPENSATED ABSENCES

Township employees are entitled to paid vacation and sick time depending upon their length of service with the Township. Full-time employees, other than police department employees, are entitled to ten paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may be accumulated and carried forward for up to three years. Vacation time unused is reimbursed to the employee upon termination or retirement. For police department employees, unused sick time is reimbursed upon retirement, provided that the police department employee has at least twenty years of credited service in the pension system.

The Township compensates employees for unused sick leave upon retirement. The current policy provides one compensated day for every two days accumulated. There is a maximum payout of \$15,000.00 for police and \$10,000.00 for all other employees. For the purposes of this provision, the employee's average daily salary for the three years preceding retirement shall be used to calculate the rate of pay upon termination.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2011, accrued benefits for compensated absences are valued at \$444,912.74.

Note 9: DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 10: SANITARY LANDFILL ESCROW CLOSURE FUND

The Township previously operated a municipal landfill located in the Township. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

Note 10: SANITARY LANDFILL ESCROW CLOSURE FUND (CONT'D)

Under the provisions of N.J.S.A.13:1E-1 et seq., known as the Solid Waste Management Act, approval was granted on November 2, 1995 by the State of New Jersey, Department of Environmental Protection (NJDEP) for a closure mid post closure plan. On February 24, 2000, the NJDEP accepted the Township's As-Built Documents for the closure of the landfill as complete.

The Township presently holds funds in escrow in accordance with the post closure financial plan approved by the DEP on November 2, 1995.

Note 11: CAPITAL DEBT**General Serial Bonds**

Refunding Bonds, Series 2003 - On February 1, 2003, the Township issued \$3,155,000.00 of general obligation refunding bonds, with interest rates ranging from 2.0% to 4.2%. The bonds were issued for the purpose of refunding and redeeming \$2,994,000.00 of the remaining \$3,194,000.00 general obligations, series 1996A, dated September 1, 1996, maturing in the years 2004 through 2016, inclusive, at a redemption price of 102% of the bonds redeemed, and paying the costs of issuance associated with the issuance of the refunding bonds.

Burlington County Bridge Commission, Series 2005 - On December 22, 2005, the Township issued \$3,889,000.00 of general obligation bonds through the Burlington County Bridge Commission, with interest rates ranging from 3.375% to 5.000%. The purpose of the bonds was to fund ordinances 2002-13, 2004-14, and 2005-17. The bonds mature in 2006 to 2016.

Burlington County Bridge Commission, Series 2009 - On August 15, 2009, the Township issued \$1,129,000.00 of general obligation bonds through the Burlington County Bridge Commission, with interest rates ranging from 2.5% to 5.0%. The purpose of the bonds is to fund ordinance 2008-14. The bonds mature in 2010 to 2018.

Refunding Bonds, Series 2011 - On January 5, 2011, The Township issued \$1,580,000.00 of general refunding bonds, with interest rates ranging from 1.50% to 2.45%. The bonds were issued for the purpose of refunding and redeeming \$1,543,000.00 of the remaining \$1,543,000.00 general obligation bonds, series 1999A, dated December 1, 1999. The bonds mature in 2011 to 2014.

The following schedule represents the remaining debt service, through maturity, for the general serial bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 1,137,000.00	\$ 187,361.25	\$ 1,324,361.25
2013	1,135,000.00	154,935.00	1,289,935.00
2014	1,127,000.00	119,565.00	1,246,565.00
2015	775,000.00	78,010.00	853,010.00
2016	787,000.00	41,615.00	828,615.00
2017-18	291,000.00	19,020.00	310,020.00
	<u>\$ 5,252,000.00</u>	<u>\$ 600,506.25</u>	<u>\$ 5,852,506.25</u>

Note 11: CAPITAL DEBT (CONT'D)**New Jersey Environmental Infrastructure Loans Payable**

On November 1, 2001, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$958,432.00, at no interest, from the fund loan, and \$1,010,000.00 at interest rates ranging from 4.00% to 5.50% from the trust loan. The proceeds were used to fund the reconstruction of Hollybrook Road. Semiannual debt payments are due February 1st and August 1st through 2021.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans payable:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 103,572.11	\$ 32,637.50	\$ 136,209.61
2013	110,030.74	29,887.50	139,918.24
2014	108,069.70	26,862.50	134,932.20
2015	114,528.32	24,112.50	138,640.82
2016	120,824.88	21,112.50	141,937.38
2017-2021	533,244.05	54,750.00	587,994.05
	<u>\$ 1,090,269.80</u>	<u>\$ 189,362.50</u>	<u>\$ 1,279,632.30</u>

Summary of Debt

The following schedule represents a summary of the Township's debt, both issued and authorized, for the current year and two preceding years:

	<u>Year 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Issued</u>			
General:			
Bond Anticipation Notes	\$ 635,137.00	\$ 102,187.00	\$ 230,437.00
General Serial Bonds	5,252,000.00	6,348,000.00	7,405,000.00
NJEIT Loans	1,090,269.80	1,299,495.67	1,398,215.00
Total Issued	<u>6,977,406.80</u>	<u>7,749,682.67</u>	<u>9,033,652.00</u>
<u>Authorized but not Issued</u>			
General:			
Notes and Bonds	78,473.75	611,423.75	78,473.75
Total Authorized but not Issued	<u>78,473.75</u>	<u>611,423.75</u>	<u>78,473.75</u>
Total Issued and Authorized but not Issued	<u>7,055,880.55</u>	<u>8,361,106.42</u>	<u>9,112,125.75</u>
<u>Deductions</u>			
General:			
Notes, Bonds, and Loans	-	-	-
Total Deductions	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Debt</u>	<u>\$ 7,055,880.55</u>	<u>\$ 8,361,106.42</u>	<u>\$ 9,112,125.75</u>

Note 11: CAPITAL DEBT (CONT'D)**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of .47%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 25,011,558.45	\$ 25,011,558.45	
Other Bonds, Notes, and Loans	7,055,880.55		\$ 7,055,880.55
	<u>\$ 32,067,439.00</u>	<u>\$ 25,011,558.45</u>	<u>\$ 7,055,880.55</u>

Net debt \$7,055,880.55 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$1,499,938,480.33, equals .47%.

Borrowing Power under N.J.S.A. 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 52,497,846.81
Net Debt	<u>7,055,880.55</u>
Remaining Borrowing Power	<u>\$ 45,441,966.26</u>

A revised annual debt statement should be filed by the chief financial officer.

Note 12: SHORT-TERM DEBT OBLIGATIONS

Tax Anticipation Notes Payable - On July 13, 2011, the Township issued a tax anticipation note in the amount of \$2,500,000.00. The note was issued at an interest rate of 3.25%, with a final maturity date of September 13, 2011. The purpose of the note was to provide sufficient working capital to fund normal operations while awaiting the pending certification of the 2011 tax levy, and the issuance of the 2011 third quarter tax bills.

The following represents changes in short-term debt obligations for the year ended December 31, 2011:

	<u>Principal Outstanding Jan. 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>Principal Outstanding Dec. 31, 2011</u>
Tax Anticipation Notes	<u>-</u>	<u>\$ 2,500,000.00</u>	<u>\$ 2,500,000.00</u>	<u>-</u>

Note 13: JOINT INSURANCE POOL

The Township is a member of the Burlington County Municipal Joint Insurance Fund. The Fund provides its members, including the Township, with the following coverage:

General Liability	Boiler & Machinery
Automobile Liability	Workers' Compensation
Property (including Auto Physical Damage)	Police Professional
Fidelity & Performance (Blanket)	Public Officials / EPL

Note 13: JOINT INSURANCE POOL (CONT'D)

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The Fund publishes its own financial report for the year ended December 31, 2011, which can be obtained from:

Burlington County Municipal Joint Insurance Fund
P.O. Box 325
Hammononton, New Jersey 08037

Note 14: NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's trust fund for the current year:

<u>Year</u>	<u>Township Contributions</u>	<u>Other Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	\$ 70,500.00	\$ 32,711.63	\$ 68,471.18	\$ 45,365.45

It is estimated that unreimbursed payments on behalf of the Township at December 31, 2011 are \$35,363.17.

Note 15: CAPITAL DEBT REFUNDING

On January 5, 2011, the Township issued \$1,580,000.00 in general refunding bonds, with interest rates ranging from 1.50% to 2.45%, to advance refund \$1,543,000.00 outstanding 1999 general bonds with an interest rate of 5.15%. The net proceeds of \$1,559,231.85 (after payment of issuance costs) were used to purchase state and local government series (SLGS) securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2002 general improvement bonds. As a result, the 1999 general bonds are considered to be defeased, and the liability for those bonds has been removed from the financial statements of the general capital fund.

The Township advance refunded the 1999 general bonds to reduce its total debt service payments over the next three years. The economic gain (difference between the present values of the debt service payments of the old and new debt) to the Township resulting from the refunding is \$84,047.82.

Note 16: MUNICIPAL OPEN SPACE TRUST FUND**Open Space Acquisition**

At the general election held on November 4, 2003, the voters approved an open space tax rate of three cents per \$100.00 of the assessed value of real property for a period of two years (2004 and 2005). After the two year period, the open space tax rate reverted to a rate of one cent per \$100.00 of assessed value. The purpose of the open space tax is to raise additional revenue for the acquisition, development, maintenance and conservation of farmland, open space, recreation, and historic properties.

Open Space Installment Purchase Note Receivable

An agreement was entered between the County of Burlington (the "County") and the Township to purchase and preserve the Raab Parcel. The County agreed to pay the Township a principal amount of \$206,250.00, payable in installments from 2005 to 2018. This amount reflects the County's portion of the open space preservation.

The following schedule represents the remaining amounts, principal and interest, due to the Township:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 14,000.00	\$ 1,960.00	\$ 15,960.00
2013	14,000.00	1,680.00	15,680.00
2014	14,000.00	1,400.00	15,400.00
2015	14,000.00	1,120.00	15,120.00
2016	14,000.00	840.00	14,840.00
2017	14,000.00	560.00	14,560.00
2018	14,000.00	280.00	14,280.00
	<u>\$ 98,000.00</u>	<u>\$ 7,840.00</u>	<u>\$ 105,840.00</u>

Note 17: LITIGATION

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation, is unknown.

Note 18: SUBSEQUENT EVENTS

Tax Appeals - As of December 31, 2011, several tax appeals were on file against the Township which are expected to be resolved during the current year.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Current Cash - Treasurer
For the Year Ended December 31, 2011

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2010	\$ 1,444,986.00	\$ 94,194.41
Increased by Receipts:		
Refund of Prior Years' Expenditures	\$ 311.00	
Miscellaneous Revenue not Anticipated	63,918.31	
2011 Budget Appropriations	52,988.09	
Petty Cash Funds	600.00	
Due State of New Jersey - Senior Citizens' and Veterans' Deductions	104,522.34	
Taxes Receivable	29,286,995.05	
Due Mount Holly Municipal Utilities Authority	157,007.39	
Revenue Accounts Receivable	2,157,130.22	
Due Current Fund		\$ 26,092.12
Due Federal and State Grant Fund	3,750.00	
Federal and State Grants Receivable		105,202.53
2010 Appropriation Reserves	291.19	
Prepaid Taxes	194,203.73	
Tax Overpayments	63,042.74	
Due State of New Jersey:		
Marriage Licenses	900.00	
Training Fees	18,743.00	
Due Trust - Other Funds	539,745.10	
Due General Capital Fund	825,000.00	
Tax Anticipation Note	2,500,000.00	
	<u>35,969,148.16</u>	<u>131,294.65</u>
	37,414,134.16	225,489.06
Decreased by Disbursements:		
Refund of Prior Years' Revenues	11,413.92	
2011 Budget Appropriations	7,701,111.48	
Due Mount Holly Municipal Utilities Authority	157,007.39	
Due Current Fund		2,100.00
2010 Appropriation Reserves	196,047.57	
Tax Overpayments	29,294.57	
Local District School Taxes Payable	13,711,091.00	
Regional High School Tax Payable	5,147,768.15	
County Taxes Payable	5,461,153.36	
Due County for Added and Omitted Taxes	5,287.04	
Due State of New Jersey:		
Marriage Licenses	250.00	
Training Fees	17,098.00	
Due Trust - Other Funds	39,530.57	
Due General Capital Fund	25,000.00	
Reserve for Federal, State and Other Grants - Appropriated		42,988.84
Tax Anticipation Note	2,500,000.00	
	<u>35,002,053.05</u>	<u>45,088.84</u>
Balance December 31, 2011	<u>\$ 2,412,081.11</u>	<u>\$ 180,400.22</u>

TOWNSHIP OF LUMBERTON
CURRENT FUND
 Schedule of Change Funds
 As of December 31, 2011

<u>Office</u>	<u>Balance</u> <u>December 31, 2011</u>
Tax Collector	\$ 200.00
Township Clerk	75.00
Receptionist	50.00
Recreation	200.00
Municipal Court	100.00
	<u>\$ 625.00</u>

Exhibit SA-3

CURRENT FUND
 Statement of Petty Cash Funds
 For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 600.00
Decreased by:	
Disbursements:	
Returned to Treasurer	<u>\$ 600.00</u>

Analysis of Balance, December 31, 2011

<u>Office</u>	<u>Amount</u>
Administration	\$ 200.00
Police	200.00
Recreation	200.00
	<u>\$ 600.00</u>

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Due to / from State of New Jersey -
Senior Citizens' and Veterans' Deductions
For the Year Ended December 31, 2011

Balance December 31, 2010 (Due to)			\$	5,979.00
Decreased by:				
Accrued in 2011:				
Deductions per Tax Billing:				
Senior Citizens' Deductions	\$	11,750.00		
Veterans' Deductions		79,500.00		
Disabled Person Deductions		4,250.00		
Surviving Spouse Deductions		250.00		
Widow of Veteran Deductions		<u>11,750.00</u>		
			\$	107,500.00
Deductions Allowed by Collector:				
Senior Citizens' Deductions		1,000.00		
Veterans' Deductions		14,085.33		
Widow of Veteran Deductions		<u>500.00</u>		
				<u>15,585.33</u>
			\$	123,085.33
Less:				
Deductions Disallowed by Collector:				
Senior Citizens' Deductions		2,750.00		
Veterans' Deductions		500.00		
Disabled Person Deductions		250.00		
Surviving Spouse Deductions		<u>250.00</u>		
				<u>3,750.00</u>
				<u>119,335.33</u>
				113,356.33
Decreased by:				
Receipts				104,522.34
Deductions Disallowed by Collector:				
2010 Taxes:				
Senior Citizens' Deductions				<u>3,008.49</u>
				<u>107,530.83</u>
Balance December 31, 2011 (Due from)			\$	<u>5,825.50</u>

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2011

<u>Year</u>	<u>Balance December 31, 2010</u>	<u>2011 Levy</u>	<u>Added Taxes</u>	<u>2010 Collections</u>	<u>2011 Collections</u>	<u>Due from State of New Jersey</u>	<u>Cancellations</u>	<u>Transferred to Tax Title Liens</u>	<u>Balance December 31, 2011</u>
2010	\$ 466,166.00		\$ 3,008.49		\$ 440,127.36		\$ 28,217.91	\$ 825.14	\$ 4.08
2011	466,166.00		3,008.49		440,127.36	-	28,217.91	825.14	4.08
	-	\$ 29,556,893.61	14,044.72	\$ 159,953.27	28,846,867.69	\$ 119,335.33	189,277.65	30,294.02	225,210.37
	\$ 466,166.00	\$ 29,556,893.61	\$ 17,053.21	\$ 159,953.27	\$ 29,286,995.05	\$ 119,335.33	\$ 217,495.56	\$ 31,119.16	\$ 225,214.45

Analysis of 2011 Property Tax Levy:

Tax Yield:

General Purpose Tax
 Added Taxes (54:4-63.1 et seq.)

\$ 29,504,824.20
 52,069.41
\$ 29,556,893.61

Tax Levy:

Local District School Tax
 Regional High School Tax

County Taxes:

County Tax \$ 4,460,241.21
 County Library Tax 423,926.81
 County Open Space Tax 576,985.34
 Due County for Added and Omitted Taxes 9,783.56

\$ 13,711,091.00
 5,164,088.15

5,470,936.92

Local Tax for Municipal Purposes

Local Tax for Municipal Open Space

Add: Additional Tax Levied for Municipal Purposes

Add: Additional Tax Levied for Municipal Open Space

5,022,093.00
 144,897.00
 43,535.84
251.70

5,210,777.54

\$ 29,556,893.61

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 270,856.00
Increased by:		
Transfers from Taxes Receivable:		
2010 Taxes Receivable	\$ 825.14	
2011 Taxes Receivable	<u>30,294.02</u>	
		\$ 31,119.16
Interest and Costs Accrued by Sale of October 6, 2011	<u>188.52</u>	
		<u>31,307.68</u>
		302,163.68
Decreased by:		
Transfer to Special Assessment Liens		<u>7,400.04</u>
Balance December 31, 2011		<u><u>\$ 294,763.64</u></u>

Exhibit SA-7

CURRENT FUND
Statement of Special Assessment Liens Receivable
For the Year Ended December 31, 2011

Accrued in 2011	\$ 910.00	
Transfer from Tax Title Liens	<u>7,400.04</u>	
Balance December 31, 2011		<u><u>\$ 8,310.04</u></u>

TOWNSHIP OF LUMBERTON

CURRENT FUND

Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2011

	Balance December 31, 2010	Accrued in 2011	Receipts - Treasurer	Due Trust - Other Funds	Balance December 31, 2011
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages		\$ 12,938.00	\$ 12,938.00		
Other		1,087.40	1,087.40		
Fees and Permits		9,500.00	9,500.00		
Fines and Costs:					
Municipal Court	\$ 15,182.00	169,039.55	174,924.07	\$	9,297.48
Interest and Costs on Taxes		97,061.20	97,061.20		
Interest on Investments and Deposits		10,115.38	9,972.38	\$ 143.00	
Local Fire Enforcement Bureau - Fees & Permits		18,300.00	18,300.00		
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		1,283,043.00	1,283,043.00		
Uniform Construction Codes Fee		200,966.00	200,966.00		
Shared Services Vehicle Maintenance		16,008.10	16,008.10		
Uniform Fire Safety Act		24,734.99	24,734.99		
Recycling Fees		8,253.60	8,253.60		
Pilot - Acacia Manor		60,181.89	60,181.89		
Recreation Trust Contribution		42,500.00	42,500.00		
Payments in Lieu of Taxes - Commercial and Industrial (40A:21-1 et. seq.)		41,967.55	41,967.55		
Cell Tower Fees		34,647.84	34,647.84		
Comcast Franchise Fees		65,251.78	65,251.78		
Burlington County Municipal JIF		3,950.00	3,950.00		
Off Duty Police Administration		14,000.00	14,000.00		
Building Lease		37,842.42	37,842.42		
	\$ 15,182.00	\$ 2,151,388.70	\$ 2,157,130.22	\$ 143.00	\$ 9,297.48

TOWNSHIP OF LUMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Due from / to Current Fund
For the Year Ended December 31, 2011

Balance December 31, 2010 (Due from)		\$	9,450.00
Increased by:			
Disbursements:			
2011 Appropriations	\$	2,100.00	
Collections made by Current Fund:			
Federal, State and Other Grants Receivable		3,750.00	
Cancellation of Federal, State and Other Grants Receivable		<u>1,750.00</u>	
			<u>7,600.00</u>
			17,050.00
Decreased by:			
Receipts:			
2010 Appropriation Reserves Refund	\$	26,090.92	
Non Budget Revenue:			
Other		<u>1.20</u>	
			26,092.12
Cancellation of Reserve for Federal, State and Other Grants - Appropriated		<u>3,400.00</u>	
			<u>29,492.12</u>
Balance December 31, 2011 (Due to)		\$	<u><u>12,442.12</u></u>

TOWNSHIP OF LUMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Federal, State and Other Grants Receivable
For the Year Ended December 31, 2011

	<u>Balance</u> <u>December 31, 2010</u>	<u>Accrued</u>	<u>Collections</u>	<u>Cancellations</u>	<u>Balance</u> <u>December 31, 2011</u>
Federal Grants:					
U.S. Department of Justice:					
JAG Grant	\$ 12,250.12				\$ 12,250.12
U.S. Department of Homeland Security:					
Emergency Management - 2011		\$ 5,000.00	\$ 5,000.00		
U.S. Department of Housing and Urban Development:					
Community Development Block Grant (CDBG) - Reconstruction of Moore and Ross Streets		65,000.00			65,000.00
U.S. Department of Transportation:					
New Jersey Department of Transportation Trust	45,000.00		45,000.00		207,000.00
2009 NJDOT Municipal Aid Program - Safe Routes to Schools		207,000.00			98,150.00
FY 2011 NJDOT Municipal Aid Program - Fenimore Road Reconstruction		200,000.00	101,850.00		5,200.00
Over the Limit Under Arrest	6,950.00			\$ 1,750.00	
Occupant Protection Incentive Grants		3,750.00	3,750.00		
Total Federal Grants	64,200.12	480,750.00	155,600.00	1,750.00	387,600.12
State Grants:					
N.J. Department of Environmental Protection:					
Clean Communities Program - 2011		20,000.05	20,000.05		
Recycling Tonnage Grant	28,201.00		25,328.99	2,872.01	
Recycling Tonnage Grant - 2011		25,000.00	4,147.57	20,852.43	
N.J. Department of Law and Public Safety:					
Body Armor Replacement Program	558.00			558.00	
Body Armor Replacement Program - 2011		1,522.49	1,522.49		
Drunk Driving Enforcement Fund - 2011		3,718.02	3,718.02		
Safe and Secure Communities Program - P.L. 1994, Chapter 220		59,239.00		59,239.00	
N.J. Department of Treasury:					
Municipal Alliance on Alcoholism & Drug Abuse	4,539.00		485.41	4,053.59	
Total State Grants	33,298.00	109,479.56	55,202.53	87,575.03	-

(Continued)

TOWNSHIP OF LUMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Federal, State and Other Grants Receivable
For the Year Ended December 31, 2011

	Balance December 31, 2010	Accrued	Collections	Cancellations	Balance December 31, 2011
Other Grants:					
Burlington County Municipal Park Development Grant - 2011	\$ -	250,000.00			\$ 250,000.00
Total Other Grants	-	250,000.00	-	-	250,000.00
Total Federal, State, and Other Grants	\$ 97,498.12	\$ 840,229.56	\$ 210,802.53	\$ 89,325.03	\$ 637,600.12
Receipts					
Due Current Fund			\$ 105,202.53		
Due General Capital Fund			3,750.00	\$ 1,750.00	
Reserve for Federal, State and Other Grants - Unappropriated			101,850.00	429.00	
Reserve for Federal, State and Other Grants - Appropriated				87,146.03	
	\$	210,802.53	\$	89,325.03	\$

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of 2010 Appropriation Reserves
For the Year Ended December 31, 2011

	<u>Balance December 31, 2010</u>		<u>Balance after</u>	<u>Paid or</u>		<u>Balance</u>
	<u>Encumbrances</u>	<u>Reserved</u>	<u>Modification</u>	<u>Charged</u>	<u>Refunds</u>	<u>Lapsed</u>
OPERATIONS - WITHIN "CAPS"						
General Government:						
Mayor and Committee						
Salaries and Wages	\$ 1,000.00		\$ 1,000.00	\$ 1,000.00		
Other Expenses	302.95	\$ 469.00	771.95	302.95		\$ 469.00
Municipal Clerk						
Salaries and Wages		420.00	420.00			420.00
Other Expenses	498.10	1,969.00	2,667.10	2,435.51		231.59
Financial Administration						
Salaries and Wages		84.00	84.00			84.00
Other Expenses	45.05	30.00	961.05	961.05		
Annual Audit						
Other Expenses		80.00	80.00			80.00
Assessment of Taxes						
Salaries and Wages		2,014.00	2,014.00			2,014.00
Other Expenses	1,095.49	2,108.00	1,654.86	1,165.08		489.78
Registrar of Vital Statistics						
Salaries and Wages		12.00	12.00			12.00
Other Expenses		75.00	75.00			75.00
Collection of Taxes						
Salaries and Wages		518.00	518.00			518.00
Other Expenses	1,491.31	735.00	3,526.31	3,500.31		26.00
Legal Services and Costs						
Other Expenses		6,364.00	6,364.00	3,207.91		3,156.09
Municipal Prosecutor						
Salaries and Wages		123.00	123.00			123.00
Engineering Services						
Other Expenses		186.00	186.00			186.00
Computer / Technology						
Other Expenses	295.00	422.00	717.00	251.53	\$ 291.19	756.66
Public Works Function:						
Public Buildings and Grounds						
Salaries and Wages		483.00	483.00			483.00
Other Expenses	2,586.92	12,832.00	9,218.92	3,070.27		6,148.65
Road Repairs and Maintenance						
Salaries and Wages		5,213.00	5,213.00			5,213.00
Other Expenses	8.55	341.00	349.55	8.55	26,090.92	26,431.92
Sewer System						
Other Expenses		555.00	555.00			555.00
Garbage and Trash Removal						
Salaries and Wages		903.00	903.00			903.00
Other Expenses		256.00	256.00	199.00		57.00
Vehicle Maintenance						
Salaries and Wages		763.00	763.00			763.00
Other Expenses	6,219.82	2,625.00	10,844.82	10,834.57		10.25
Recycling Coordinator						
Salaries and Wages		952.00	952.00			952.00
Other Expenses		719.00	719.00			719.00
Janitorial Services						
Salaries and Wages		2,528.00	2,528.00			2,528.00
Other Expenses	470.05	1,719.00	2,189.05	1,076.93		1,112.12
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board						
Salaries and Wages		2,454.00	2,454.00			2,454.00
Other Expenses	258.58	10.00	268.58	258.58		10.00
Zoning Officer						
Salaries and Wages		28.00	28.00			28.00
Other Expenses	37.39	171.00	208.39	64.24		144.15
Council on Affordable Housing Rehabilitation						
Other Expenses		4,791.00	4,791.00	4,753.00		38.00

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of 2010 Appropriation Reserves
For the Year Ended December 31, 2011

	<u>Balance December 31, 2010</u>		<u>Balance after</u>	<u>Paid or</u>	<u>Refunds</u>	<u>Balance</u>
	<u>Encumbrances</u>	<u>Reserved</u>	<u>Modification</u>	<u>Charged</u>		<u>Lapsed</u>
OPERATIONS - WITHIN "CAPS" (CONT'D)						
Public Safety Functions:						
Uniform Fire Safety Act						
Salaries and Wages		\$ 3,454.00	\$ 3,454.00			\$ 3,454.00
Other Expenses	\$ 255.24	367.00	622.24	\$ 453.24		169.00
Safety Program						
Other Expenses		1,382.00	1,382.00			1,382.00
Office of Emergency Management						
Salaries and Wages		9.00	9.00			9.00
Other Expenses		357.00	357.00			357.00
Police						
Salaries and Wages		33,692.00	33,692.00			33,692.00
Other Expenses	3,770.05	20,858.00	14,628.05	10,741.74		3,886.31
Contribution to:						
Lumberton Emergency Squad		77.00	77.00			77.00
Parks and Recreation:						
Parks and Playgrounds						
Salaries and Wages		628.00	628.00			628.00
Administration of Public Assistance:						
Other Expenses		380.00	380.00	350.00		30.00
Municipal Court:						
Other Expenses	556.38	249.00	805.38	698.26		107.12
Insurance:						
General Liability Insurance		994.00	994.00			994.00
Employee Group Insurance	52,712.87		52,881.80	52,881.80		
Fire Company Insurance	6,435.20		7,428.90	7,428.90		
Uniform Construction Code - Appropriations Offset by						
Dedicated Revenues (N.J.A.C. 5:23-4.17):						
State Uniform Construction Code:						
Construction Official						
Salaries and Wages		1,195.00	1,195.00			1,195.00
Other Expenses		817.00	817.00	272.00		545.00
Utility Expenses:						
Electricity / Other Utilities		107.00	5,607.00	5,203.46		403.54
Telephone and Telegraph	776.91	6,034.00	6,810.91	2,569.78		4,241.13
Street Lighting	3,020.24	5,984.00	15,504.24	12,262.69		3,241.55
Fire Hydrant Services	0.09	9,974.00	9,974.09	9,974.09		
Gasoline	5,955.28	12,872.00	18,827.28	5,955.28		12,872.00
Water		2,573.00	2,573.00	620.66		1,952.34
Fuel Oil	146.24	36.00	182.24	146.24		36.00
Sewer		3,397.00	3,397.00	1,920.41		1,476.59
Postage	7.17	3,615.00	3,622.17	599.67		3,022.50
Unclassified:						
Celebration of Public Events		32.00	32.00			32.00
Accumulated Sick Leave		713.00	713.00			713.00
Landfill / Solid Waste Disposal:						
Other Expense	2,361.00	20,540.00	22,901.00	22,562.07		338.93
Condo Reimbursement		18,776.00	18,776.00	10,735.37		8,040.63
Total Operations within "CAPS"	90,305.88	202,064.00	292,169.88	178,465.14	\$ 26,382.11	140,086.85
Detail:						
Salaries and Wages	1,000.00	55,473.00	56,473.00	1,000.00	-	55,473.00
Other Expenses	89,305.88	146,591.00	235,696.88	177,465.14	26,382.11	84,613.85

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2011

2011 Levy:		
County Tax	\$ 4,460,241.21	
County Library Tax	423,926.81	
County Open Space Tax	<u>576,985.34</u>	
		\$ 5,461,153.36
Decreased by:		
Disbursements		<u><u>\$ 5,461,153.36</u></u>

Exhibit SA-19

CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 10,557.17
Increased by:		
County Share of 2011 Levy:		
2009 Rollback Assessments	\$ 653.34	
2009 Rollback Assessments	601.23	
2011 Added Assessments	<u>8,528.99</u>	
		<u>9,783.56</u>
		20,340.73
Decreased by:		
Cancellations	5,270.13	
Disbursements	<u>5,287.04</u>	
		<u>10,557.17</u>
Balance December 31, 2011		<u><u>\$ 9,783.56</u></u>

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Due to State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 1,560.67
Increased by:	
Receipts	<u>900.00</u>
	2,460.67
Decreased by:	
Cancellations	\$ 1,560.67
Disbursements	<u>250.00</u>
	<u>1,810.67</u>
Balance December 31, 2011	<u><u>\$ 650.00</u></u>
<u>Analysis of Balance, December 31, 2011</u>	
April 1 - December 31, 2011	<u><u>\$ 650.00</u></u>

Exhibit SA-21

CURRENT FUND
Statement of Due to State of New Jersey - Training Fees
For the Year Ended December 31, 2011

Receipts	\$ 18,743.00
Decreased by:	
Disbursements	<u>17,098.00</u>
Balance December 31, 2011	<u><u>\$ 1,645.00</u></u>
<u>Analysis of Balance, December 31, 2011</u>	
October 1 - December 31, 2011	<u><u>\$ 1,645.00</u></u>

TOWNSHIP OF LUMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal, State and Other Grants - Unappropriated
For the Year Ended December 31, 2011

	Balance December 31, 2010	Federal and State Grants Receivable	Realized as Revenue in 2011	Cancellations	Balance December 31, 2011
Federal Grants:					
U.S. Department of Agriculture: Green Communities	\$ 3,000.00		\$ 3,000.00		
U.S. Department of Homeland Security: Emergency Management - 2011		\$ 5,000.00	5,000.00		
U.S. Department of Housing and Urban Development: Community Development Block Grant (CDBG) - Reconstruction of Moore and Ross Streets		65,000.00			\$ 65,000.00
U.S. Department of Transportation: 2009 NJDOT Municipal Aid Program - Safe Routes to Schools		207,000.00	207,000.00		
FY 2011 NJDOT Municipal Aid Program - Fenimore Road Reconstruction		200,000.00	200,000.00		
Over the Limit Under Arrest	750.00		750.00		
Occupant Protection Incentive Grants		3,750.00			3,750.00
Total Federal Grants	3,750.00	480,750.00	415,750.00	-	68,750.00
State Grants:					
N.J. Department of Community Affairs: Domestic Violence	2,766.00		2,766.00		
N.J. Department of Environmental Protection: Clean Communities	45.00		45.00		
Clean Communities Program - 2011		20,000.05	15,000.00		5,000.05
Recycling Tonnage Grant	9,499.00		9,499.00		
Recycling Tonnage Grant - 2011		25,000.00	25,000.00		
N.J. Department of Health and Senior Services: Alcohol Education & Rehabilitation Fund	4,903.00		4,903.00		
N.J. Department of Law and Public Safety: Body Armor Replacement Program	429.00			\$ 429.00	
Body Armor Replacement Program - 2011		1,522.49	1,522.49		
Drunk Driving Enforcement Fund - 2011		3,718.02	3,718.02		
Safe and Secure Communities Program - P.L. 1994, Chapter 220		59,239.00	59,239.00		
Total State Grants	17,642.00	109,479.56	121,692.51	429.00	5,000.05
Other Grants:					
Burlington County Municipal Park Development Grant - 2011		250,000.00	250,000.00		
Recreation - RCASA	1,000.00		1,000.00		
Total Other Grants	1,000.00	250,000.00	251,000.00	-	-
Total Federal, State, and Other Grants	\$ 22,392.00	\$ 840,229.56	\$ 788,442.51	\$ 429.00	\$ 73,750.05
Federal, State and Other Grants Receivable				\$ 429.00	

TOWNSHIP OF LUMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal, State and Other Grants - Appropriated
For the Year Ended December 31, 2011

	Balance December 31, 2010	Transferred from 2011 Budget Appropriations	Paid or Charged	Encumbrances	Cancellations	Balance December 31, 2011
	<u>Reserved</u>					
Federal Grants:						
U.S. Department of Agriculture:						
Green Communities	\$ 3,050.00	\$ 3,000.00			\$	6,050.00
New Jersey Tree Planting Grant	1,138.00					1,138.00
U.S. Department of Homeland Security:						
Emergency Management - 2009	6,083.07					6,083.07
Emergency Management - 2010	4,050.04	5,000.00				4,050.04
Emergency Management - 2011						5,000.00
U.S. Department of Housing and Urban Development:						
Community Development Block Grant	13,731.21					13,731.21
U.S. Department of Justice:						
JAG Grant	12,181.00		\$ 5,342.76	\$ 6,672.00		166.24
U.S. Department of Transportation:						
2009 NJDOT Municipal Aid Program - Safe Routes to Schools		207,000.00	114,712.96			92,287.04
FY 2011 NJDOT Municipal Aid Program - Fenimore Road Reconstruction		200,000.00	169,668.60			30,331.40
New Jersey DEP Recreation Trails Program	358.00					358.00
Over the Limit Under Arrest	4,450.00	750.00				5,200.00
Pothole Program	2,180.00					2,180.00
Total Federal Grants	47,221.32	415,750.00	289,724.32	6,672.00	-	166,575.00
State Grants:						
N.J. Department of Community Affairs:						
Domestic Violence Grant	1,850.00	2,766.00	980.00			3,636.00
Handicapped Recreation	14,610.00					14,610.00
N.J. Department of Environmental Protection:						
Clean Communities Program	20,939.00	45.00	9,003.78	1,888.58		10,091.64
Clean Communities Program - 2011		15,000.00				15,000.00
Recycling Contest	1,000.00					1,000.00
Recycling Tonnage Grant	44,294.00	9,499.00	20,011.90		\$ 2,872.01	30,909.09
Recycling Tonnage Grant - 2011		25,000.00			20,852.43	4,147.57
Storm Water Regulation	6,354.00		1,577.50			4,776.50
N.J. Department of Health and Senior Services:						
Alcohol Education & Rehabilitation Fund	8,208.00	4,903.00	177.00			12,934.00

(Continued)

TOWNSHIP OF LUMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal, State and Other Grants - Appropriated
For the Year Ended December 31, 2011

	Balance December 31, 2010	Transferred from 2011 Budget	Paid or Charged	Encumbrances	Cancellations	Balance December 31, 2011
	<u>Reserved</u>	<u>Appropriations</u>				
State Grants (Cont'd):						
N.J. Department of Law and Public Safety:						
Body Armor Replacement Program	\$ 7,025.00	\$ 1,522.49	\$ 2,636.00		\$ 129.00	\$ 4,260.00
Body Armor Replacement Program - 2011						1,522.49
Drunk Driving Enforcement Fund	19,310.21		4,239.90			15,070.31
Drunk Driving Enforcement Fund - 2011		3,718.02				3,718.02
Safe and Secure Communities Program - P.L. 1994, Chapter 220		59,239.00			59,239.00	
	<u>4,539.00</u>				<u>4,053.59</u>	<u>485.41</u>
N.J. Department of Treasury:						
Municipal Alliance on Alcoholism & Drug Abuse						
	<u>128,129.21</u>	<u>121,692.51</u>	<u>38,626.08</u>	<u>\$ 1,888.58</u>	<u>87,146.03</u>	<u>122,161.03</u>
Total State Grants						
Other Grants:						
Burlington County Municipal Park Development Grant - 2011		250,000.00				250,000.00
Recreation - RCASA	2,400.00	1,000.00			1,000.00	
Township Match	1,000.00				1,000.00	
Wal-Mart Foundation						
	<u>3,400.00</u>	<u>251,000.00</u>			<u>4,400.00</u>	<u>250,000.00</u>
Total Other Grants						
	<u>\$ 178,750.53</u>	<u>\$ 788,442.51</u>	<u>\$ 328,350.40</u>	<u>\$ 8,560.58</u>	<u>\$ 91,546.03</u>	<u>\$ 538,736.03</u>
Total Federal, State, and Other Grants						
Disbursements			\$ 42,988.84			
Due Trust - Other Fund			980.00			
Due General Capital Fund			284,381.56			
			<u>\$ 328,350.40</u>			
Federal, State and Other Grants Receivable						
Due Current Fund:					\$ 87,146.03	
Cancellations					3,400.00	
2011 Budget Appropriations:						
Reserve for Federal and State Grants - Appropriated	\$ 788,442.51					
Due Trust - Other Fund:					1,000.00	
Reserve for Community Policing Donations						
	<u>\$ 788,442.51</u>				<u>\$ 91,546.03</u>	

SUPPLEMENTAL EXHIBITS

TRUST FUNDS

TOWNSHIP OF LUMBERTON
TRUST FUNDS

Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2011

	<u>Animal Control Fund</u>	<u>Municipal Open Space</u>	<u>Other</u>
Balance December 31, 2010	\$ 4,276.36	\$ 435,249.75	\$ 1,978,615.00
Increased by Receipts:			
Dedicated Revenues		\$ 5,250.22	
Due from Burlington County - Open Space Installment Purchase Note Receivable		14,000.00	
Due Current Fund		97.00	\$ 76,930.58
Due State of New Jersey - Registration Fees	\$ 1,426.80		
Reserve for Animal Control Fund Expenditures	10,197.70		32,711.63
Reserve for Unemployment Compensation Insurance			3,193,267.17
Reserve for Payroll Deductions Payable			538,384.56
Miscellaneous Trust Reserves			
	<u>11,624.50</u>	<u>19,347.22</u>	<u>3,841,293.94</u>
Decreased by Disbursements:			
Reserve for Future Use			
Dedicated Expenditures			
Due Current Fund			538,997.60
Due Federal and State Grant Fund			980.00
Due State of New Jersey - Registration Fees			
Reserve for Animal Control Fund Expenditures	1,373.40		
Due to Burlington County - Farmland Preservation	3,316.06		
Reserve for Unemployment Compensation Insurance		55,629.09	68,471.18
Reserve for Payroll Deductions Payable			3,192,885.65
Miscellaneous Trust Reserves			555,248.11
	<u>4,689.46</u>	<u>227,153.73</u>	<u>4,356,582.54</u>
Balance December 31, 2011	<u>\$ 11,211.40</u>	<u>\$ 227,443.24</u>	<u>\$ 1,463,326.40</u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
Statement of Due from Burlington County -
Open Space Installment Purchase Note Receivable
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 112,000.00
Decreased by:	
Receipts	<u>14,000.00</u>
Balance December 31, 2011	<u><u>\$ 98,000.00</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
Statement of Due from Current Fund
For the Year Ended December 31, 2011

2011 Anticipated Dedicated Revenues:

Amount to be Raised by Taxation

\$ 144,897.00

Non Budget Revenues:

Added and Omitted Levy

251.70

\$ 145,148.70

Decreased by:

Receipts:

Non Budget Revenues

97.00

Balance December 31, 2011

\$ 145,051.70

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- OTHER
Statement of Due from / (to) Current Fund
For the Year Ended December 31, 2011

	Accumulated Absences	Developers Escrow	Fire Safety	Housing Trust	Payroll	Tax Title Liens	Trust Other	Unemployment Insurance	Totals
Balance December 31, 2010	-	\$ (103.00)	-	-	-	-	-	-	\$ (103.00)
Collections made by Current Fund							747.50		747.50
2011 Budget Appropriation:									
Other Expenses - Other Expenses	\$ 13,220.17								13,220.17
Unemployment Compensation Insurance								\$ 70,500.00	70,500.00
Snow Emergency EO#15 N.J.S.A. 40:A 45.3							33,000.00		33,000.00
Disbursements:									
Interfund Loans Returned		2,021.32	\$ 850.00	\$ 500,000.00	\$ 36,126.28				538,997.60
	13,220.17	1,918.32	850.00	500,000.00	36,126.28	-	33,747.50	70,500.00	656,362.27
Decreased by:									
Receipts:									
2011 Budget Appropriation Refunds:					36,126.28				36,126.28
Employee Group Insurance									
2011 Anticipated Revenue:		143.00							143.00
Interest Earned on Deposits						\$ 14.50			1,116.23
Non Budget Revenues:		1,116.23							14.50
Administration Fees					810.40			25,500.00	39,530.57
Other						1,425.50	48,949.98		50,375.48
Interfund Loans Received	13,220.17								
Cancellations									
	13,220.17	1,259.23	-	-	36,936.68	1,440.00	48,949.98	25,500.00	127,306.06
Balance December 31, 2011	-	\$ 659.09	\$ 850.00	\$ 500,000.00	\$ (810.40)	\$ (1,440.00)	\$ (15,202.48)	\$ 45,000.00	\$ 529,056.21

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- OTHER
Statement of Due from Federal and State Grant Fund
For the Year Ended December 31, 2011

Disbursements:

Payments made by Trust - Other Funds:		
Domestic Violence Grant	\$ 980.00	
Cancellation of Reserve for Federal, State and Other Grants - Appropriated:		
Wal-Mart Foundation	<u>1,000.00</u>	
Balance December 31, 2011		<u><u>\$ 1,980.00</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- ANIMAL CONTROL
Statement of Due to State of New Jersey - Registration Fees
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 210.36
Increased by:		
Receipts		<u>1,426.80</u>
		1,637.16
Decreased by:		
Disbursements	\$ 1,373.40	
Cancellation:		
Reserve for Animal Control Expenditures	<u>210.36</u>	
		<u>1,583.76</u>
Balance December 31, 2011		<u><u>\$ 53.40</u></u>
 <u>Analysis of Balance, December 31, 2011</u>		
September 2011		\$ 36.00
October 2011		10.80
November 2011		1.20
December 2011		<u>5.40</u>
		<u><u>\$ 53.40</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- ANIMAL CONTROL
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 4,066.00
Increased by:		
Receipts:		
Late Fees	\$ 1,007.70	
Dog License Fees	<u>9,190.00</u>	
	\$ 10,197.70	
Cancellation of Due to State of New Jersey	<u>210.36</u>	
		<u>10,408.06</u>
		14,474.06
Decreased by:		
Disbursements		<u>3,316.06</u>
Balance December 31, 2011		<u><u>\$ 11,158.00</u></u>

Dog License Fees Collected

<u>Year</u>	<u>Amount</u>
2009	\$ 7,617.00
2010	<u>5,769.00</u>
	<u><u>\$ 13,386.00</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
Statement of Due to Burlington County - Farmland Preservation
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 195,960.00
Decreased by:	
Disbursements	<u>55,629.09</u>
Balance December 31, 2011	<u><u>\$ 140,330.91</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- OTHER
Statement of Reserve for Unemployment Compensation Insurance
For the Year Ended December 31, 2011

Balance December 31, 2010		\$	10,625.00
Increased by:			
Receipts:			
Contributions	\$ 32,711.63		
Due Current Fund:			
2011 Budget Appropriation	<u>70,500.00</u>		
			<u>103,211.63</u>
			113,836.63
Decreased by:			
Disbursements:			
Claims Paid			<u>68,471.18</u>
Balance December 31, 2011		\$	<u><u>45,365.45</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- OTHER
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 1,573.00
Increased by:	
Receipts	<u>3,193,267.17</u>
	3,194,840.17
Decreased by:	
Disbursements	<u>3,192,885.65</u>
Balance December 31, 2011	<u><u>\$ 1,954.52</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- OTHER
Statement of Miscellaneous Trust Other Reserves
For the Year Ended December 31, 2011

	Balance December 31, 2010	<u>Increased by</u>		<u>Decreased by</u>		Balance December 31, 2011
		<u>Receipts</u>	<u>Interfund Receivable</u>	<u>Disbursements</u>	<u>Current Fund - Cancellations</u>	
Reserve for:						
Accumulated Absences	\$ 231.17	\$ 2,491.50	\$ 13,220.17			\$ 13,451.34
Affordable Housing Trust Development Fees	765,402.64	\$		\$ 420.00		767,474.14
Developers' Escrow	852,218.00	113,027.01		204,789.80		760,455.21
Community Policing Donations	2,779.81	1,000.00	1,000.00			4,779.81
Disaster Relief Fund Donations	2,767.00					2,767.00
Disposal of Forfeited Property	19,581.79	3,165.21				22,747.00
Miscellaneous Escrow	311.82			311.82		
Municipal Public Defender	5,810.00	8,401.50	735.50	9,150.00		5,797.00
Municipal Alliance on Alcohol and Drug Abuse	3,765.00					3,765.00
Outside Employment of Off-Duty Municipal Police Officer	52,466.19	37,930.90		45,815.50	\$ 2,349.98	42,231.61
Parking Offense Adjudication Act (POAA)	947.38	130.39	12.00			1,089.77
Police Chiefs Memorial Fund Donations	419.00					419.00
Recreation Trust	55,440.35	93,804.20		104,922.06		44,322.49
Sanitary Landfill	104,413.14	883.07				105,296.21
Snow Removal Trust	474.63		33,000.00			33,474.63
Street Opening Donations	100.00					100.00
Tax Sale Premiums	87,300.00	113,800.00		38,600.00	46,600.00	115,900.00
Tax Title Liens	4,301.00	160,900.78		150,723.93	1,425.50	13,052.35
Township Beautification Fund Donations	1,940.29	2,000.00		515.00		3,425.29
Uniform Fire Safety Act Penalty Monies	5,644.79	850.00				6,494.79
	<u>\$ 1,966,314.00</u>	<u>\$ 538,384.56</u>	<u>\$ 47,967.67</u>	<u>\$ 555,248.11</u>	<u>\$ 50,375.48</u>	<u>\$ 1,947,042.64</u>
Due Current Fund:						
Collections made by Current Fund	\$ 747.50					
2011 Budget Appropriations	<u>46,220.17</u>					
			\$ 46,967.67			
			<u>1,000.00</u>			
Due Federal and State Grant Fund						
			<u>\$ 47,967.67</u>			

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF LUMBERTON
General Capital Fund
Statement of General Capital Cash
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 762,336.86
Increased by Receipts:		
Due Current Fund	\$ 25,000.33	
Due Federal and State Grant Fund	101,850.00	
Bond Anticipation Notes	<u>532,950.00</u>	
		<u>659,800.33</u>
		1,422,137.19
Decreased by Disbursements:		
Due Current Fund	825,000.00	
Due Federal and State Grant Fund	169,668.60	
Improvement Authorizations	<u>388,377.80</u>	
		<u>1,383,046.40</u>
Balance December 31, 2011		<u>\$ 39,090.79</u>

TOWNSHIP OF LUMBERTON
General Capital Fund
Statement of General Serial Bonds
For the Year Ended December 31, 2011

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2010	Issued for Refunding	Decreased	Balance December 31, 2011
			Outstanding	December 31, 2011					
			Date	Amount					
General Bonds, Series 1999A	12/01/99	\$ 4,523,000.00	12/01/12	\$ 390,000.00					
			12/01/13	390,000.00					
			12/01/14	383,000.00	5.150%	\$ 1,543,000.00	\$ 1,543,000.00		
Refunding Bonds, Series 2003	02/01/03	3,155,000.00	02/01/12	255,000.00	3.750%				
			02/01/13	250,000.00	3.900%				
			02/01/14	245,000.00	4.000%				
			02/01/15	240,000.00	4.100%				
			02/01/16	225,000.00	4.200%	1,470,000.00		255,000.00	\$ 1,215,000.00
Burlington County Bridge Commission, Series 2005	12/22/05	3,889,000.00	12/15/12	363,000.00	3.500%				
			12/15/13	376,000.00	3.625%				
			12/15/14	170,000.00	4.000%				
			12/15/14	219,000.00	5.000%				
			12/15/15	407,000.00	5.000%				
			12/15/16	427,000.00	4.000%	2,313,000.00		351,000.00	1,962,000.00
Burlington County Bridge Commission, Series 2009	08/15/09	1,129,000.00	08/15/12	114,000.00	3.500%				
			08/15/13	119,000.00	3.500%				
			08/15/14	123,000.00	4.000%				
			08/15/15	128,000.00	5.000%				
			08/15/16	135,000.00	5.000%				
			08/15/17	142,000.00	5.000%				
Refunding Bonds, Series 2011	01/05/11	1,580,000.00	08/15/18	149,000.00	4.000%	1,022,000.00		112,000.00	910,000.00
			12/01/12	405,000.00	1.500%				
			12/01/13	390,000.00	2.000%				
			12/01/14	370,000.00	2.450%				
						\$ 1,580,000.00		415,000.00	1,165,000.00
						\$ 6,348,000.00	\$ 1,580,000.00	\$ 2,676,000.00	\$ 5,252,000.00
Refunded Paid by Budget Appropriation								\$ 1,543,000.00	
								\$ 1,133,000.00	
								\$ 2,676,000.00	

Refunded
Paid by Budget Appropriation

TOWNSHIP OF LUMBERTON
General Capital Fund
Statement of New Jersey Environmental Infrastructure Loans Payable
For the Year Ended December 31, 2011

<u>Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Loans</u>			<u>Interest Rate</u>	<u>Balance December 31, 2010</u>	<u>Decreased</u>	<u>Balance December 31, 2011</u>		
			<u>Outstanding Date</u>	<u>Amount</u>							
Fund Loan	11/01/01	\$ 958,432.00	02/01/12	\$ 10,579.09							
			08/01/12	42,993.02							
			02/01/13	9,687.71							
			08/01/13	45,343.03							
			02/01/14	8,707.19							
			08/01/14	44,362.51							
			02/01/15	7,815.80							
			08/01/15	46,712.52							
			02/01/16	6,843.39							
			08/01/16	48,981.49							
			02/01/17	5,789.93							
			08/01/17	47,928.04							
			02/01/18	4,736.48							
			08/01/18	50,115.98							
			02/01/19	3,601.99							
			08/01/19	52,222.88							
			02/01/20	2,386.47							
			08/01/20	1,462.28							
Trust Loan	11/01/01	1,010,000.00	08/01/12	50,000.00		5.50%					
			08/01/13	55,000.00		5.50%					
			08/01/14	55,000.00		5.00%					
			08/01/15	60,000.00		5.00%					
			08/01/16	65,000.00		5.00%					
			08/01/17	65,000.00		5.00%					
			08/01/18	70,000.00		5.00%					
			08/01/19	75,000.00		5.00%					
			08/01/20	75,000.00		4.75%					
			08/01/21	80,000.00		4.75%					
							700,000.00		50,000.00		650,000.00
							<u>\$ 1,299,495.67</u>		<u>\$ 209,225.87</u>		<u>\$ 1,090,269.80</u>
						<u>\$ 105,354.87</u>					
						<u>103,871.00</u>					
						<u>\$ 209,225.87</u>					
Paid by Budget Appropriation											
Deferred Charges to Future Taxation - Funded:											
Cancellations											

TOWNSHIP OF LUMBERTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2011

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2011-1

Criteria or Specific Requirement

Pursuant to N.J.A.C. 5:30-5.7, all local units must maintain a general ledger accounting system that provides for the immediate and current identification of all of its assets, liabilities, revenues, expenditures, and fund balance. The general ledger, together with the books of original entry, and supporting subsidiary ledgers, constitute a complete accounting system.

Condition

The Township did not record the activity of the tax title lien bank account in the general ledger accounting system.

Context

The activity not recorded in the general ledger accounting system consisted of the collection of receipts from property owners and the subsequent disbursement to outside lien holders.

Effect

The activity of the tax title lien bank account is not being recorded in the general ledger accounting system, thus, all related assets and liabilities are not reflected.

Cause

Client oversight.

Recommendation

That the Township record the activity of the tax title lien bank account in the general ledger accounting system.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF LUMBERTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2011

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2011-2

Criteria or Specific Requirement

In accordance with N.J.A.C. 5:30-5.2, local units shall maintain internal controls that ensure that an approved purchase order has been issued prior to incurring expenditures.

Condition

Several purchase orders examined were approved and issued after vendor invoices were presented for payment.

Context

During our examination of disbursements, we noted several instances in which purchase orders were dated after vendor invoices were presented for payment.

Effect

There is a weakening of the internal control policies and procedures over the recording of purchases and of the control over budget appropriations.

Cause

The client experienced a change in the staffing that caused the oversight.

Recommendation

That the Township verify that an approved purchase order is issued prior to the incurring of expenditures.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF LUMBERTON
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

FINANCIAL STATEMENT FINDINGS

Finding No. 2010-1

Condition

The general ledger does not reflect year-end tax entries necessary to accurately reflect year-end balances.

Current Status

This condition has been resolved for the year ended December 31, 2011.

Finding No. 2010-2

Condition

The tax title lien bank account has not been reconciled or maintained as part of the general ledger accounting system.

Current Status

The Township did implement corrective action in regards to the reconciliation of the tax title lien bank account, but the activity of the bank account was not recorded in the general ledger accounting system for the year ended December 31, 2011 (*see Finding No. 2011-1*).

Planned Corrective Action

The Township will establish procedures with applicable personnel to ensure the recording of the tax title lien bank account transactions in the general ledger accounting system.

TOWNSHIP OF LUMBERTON
Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Surety</u>	<u>Name of Surety</u>
James Conway, Jr.	Mayor	\$ 1,000,000.00	(B)
Michael Mansdoerfer	Deputy Mayor	1,000,000.00	(B)
Lewis Jackson	Committeeman	1,000,000.00	(B)
Michael Petty	Committeeman	1,000,000.00	(B)
Anita Lovely	Committeewoman	1,000,000.00	(B)
Stephanie Yurko	Township Clerk / Vital Statistics Registrar / Health Board Secretary	1,000,000.00	(B)
Joanna Mustafa	Chief Financial Officer	200,000.00	(A)
Sharon Deviney	Tax Collector	300,000.00	(A)
Karen Caplan	Magistrate	1,000,000.00	(B)
Joanne Snow	Court Administrator	100,000.00	(A)
Lorraine Lingle	Deputy Court Administrator	1,000,000.00	(B)
Bradley Regn	Construction Official	1,000,000.00	(B)
Patty Sporer	Tax Assessor	1,000,000.00	(B)
Michael Moubert, Esq.	Solicitor		

(A) Statutory Position Bond Coverage - The Hartford Insurance Company.

(B) Public Employee Dishonesty Coverage - Burlington County Municipal Joint Insurance Fund.

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink, appearing to read "L. Jarred Corn". The signature is fluid and cursive, with the first name "L." and last name "Corn" being clearly legible.

L. Jarred Corn
Certified Public Accountant
Registered Municipal Accountant

